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*Office Memorandum* • UNITED STATES GOVERNMENT

TO : Chief of Logistics

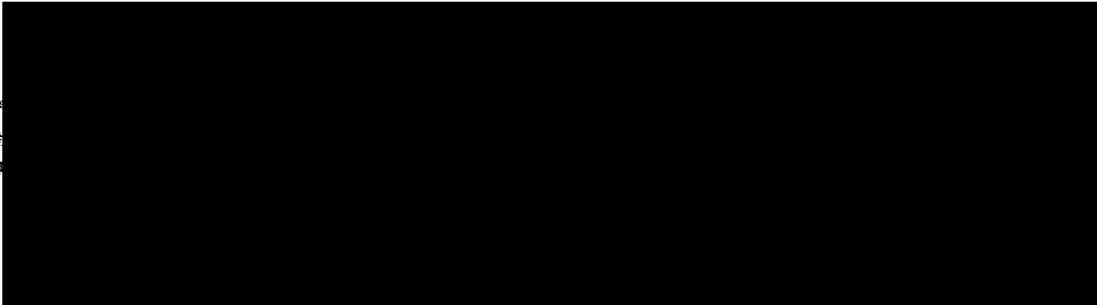
DATE: 13 January 1955

FROM : Chief, Procurement Division

SUBJECT: Weekly Activity Report

1. Generala. Procurement of Quartz Crystals (new item):

A new requisition was received on 11 January 1955 from the Supply Division setting forth revised quantity requirements for quartz crystals of 110,200 each. This requisition supersedes and cancels the previous requisition for 100,000 units which had been reported in the Weekly Activity Report during the period 14 October 1954 thru 5 January 1955. The re-advertisement for bids on this item will be issued at an early date.

*from  
who*

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c. Rental of IBM Electronic Searching Selector (new and completed item):

Pursuant to negotiations conducted with IBM during the period 10 December 1953 through 10 March 1954 as reported in the Weekly Activity Reports covering those dates, a Letter of Intent signifying the intention of the Agency to rent the subject equipment from IBM upon its availability was prepared and executed with that firm. This Branch has been informally advised by [redacted] O&M Staff, that the subject equipment will not be available from the Contractor and therefore the definitive contract which would normally supersede the Letter of Intent will not be prepared. It is understood that IBM could not develop this machine at this date for the Agency nor its other proposed lessee, the Battelle Memorial Institute.

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d. Status of DP Contracts Obligated Under Fiscal Year 1952 Funds  
(continued item)

(1) Awaiting Industrial Contract Audit Branch Report

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Meeting held 29 October with the Contractor regarding audit of the subcontractor, [REDACTED] Contractor was to advise by letter when audit can be made. On 8 December the Contractor indicated by phone that the person handling the books had had a heart attack and that there would be a delay of some two or three weeks before scheduling of the audit. Audit scheduled for 24 January 1955.

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(2) Audit Report Received - Being Analyzed

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[REDACTED] - Received 11/6/54

Pending determination by Inspection Section as to reasonableness of certain quantities of residual inventory.

(3) Settlement Letter to Contractor

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Contractor's letter dated 30 September 1954 requested clarification of certain disallowed costs prior to executing settlement. Contractor's letter was forwarded to ICAB on 8 October 1954. Upon receipt of reply, further information regarding capital equipment account and method used for depreciation was requested from the Contractor in accordance with ICAB memorandum. This letter was mailed to the Contractor on 24 November 1954. Contractor contemplates reply will be made on 21 January 1955.

(4) Settlement Agreement to Contractor

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(5)

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\*There is still pending determination of amount of royalty to be paid, but this must be accomplished by appropriate action of the Navy Department, Patent Royalty Board.

2. ITEMS OF INTEREST

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c. Purchase Discounts: (continued item)

A meeting was held with the cleared officials of [REDACTED] Company, and a letter of understanding executed covering the recoupment of a 10% discount. Discussions pertaining to the internal accounting procedure were had with [REDACTED] of the Technical Accounting Staff of the Comptroller's Office, and an agreement reached as to appropriate methodology.

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e. Special Containers for Classified Trash: (continued)

The evaluation of bids has been completed. It is proposed to present this matter to the Procurement Review Committee at its next meeting.

f. Procurement Review Committee: (continued)

This Committee held two meetings during each of the following days: 4 January and 5 January. The Committee reviewed a total of two new cases and was able to resolve both of them.

g. Procurement of Safe File Cabinets: (continued)

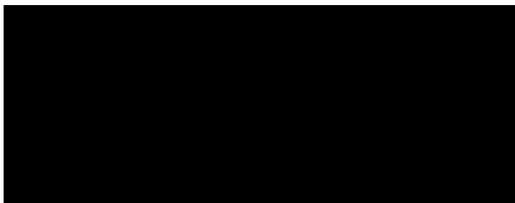
Follow-up was made through the Security Officer/LO to Chief, Physical Security Division, regarding the matter of safe files. As pointed out

in memorandum dated 22 December 1954, new samples were received and tested but did not meet the specifications. The Chief, Physical Security, advised that Security would authorize procurement of a small quantity necessary for urgent requirements by revising specification requirements now stipulated. However, General Services Administration is also endeavoring to negotiate a contract on this same revised spec at a very early date due to the current backlog of requirements which they now hold. As soon as GSA advises a definite date as to when they expect a contract, this information will be recorded and an effort will be made to expedite shipment from the contractor. No useful purpose would be served in endeavoring to negotiate a separate contract by this Agency.

3. TRAINING

a. Industrial College of the Armed Forces January Lectures: (new and completed)

A planned schedule has been developed and individuals named to attend certain lectures to be given during the month of January at the Industrial College of the Armed Forces.



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